

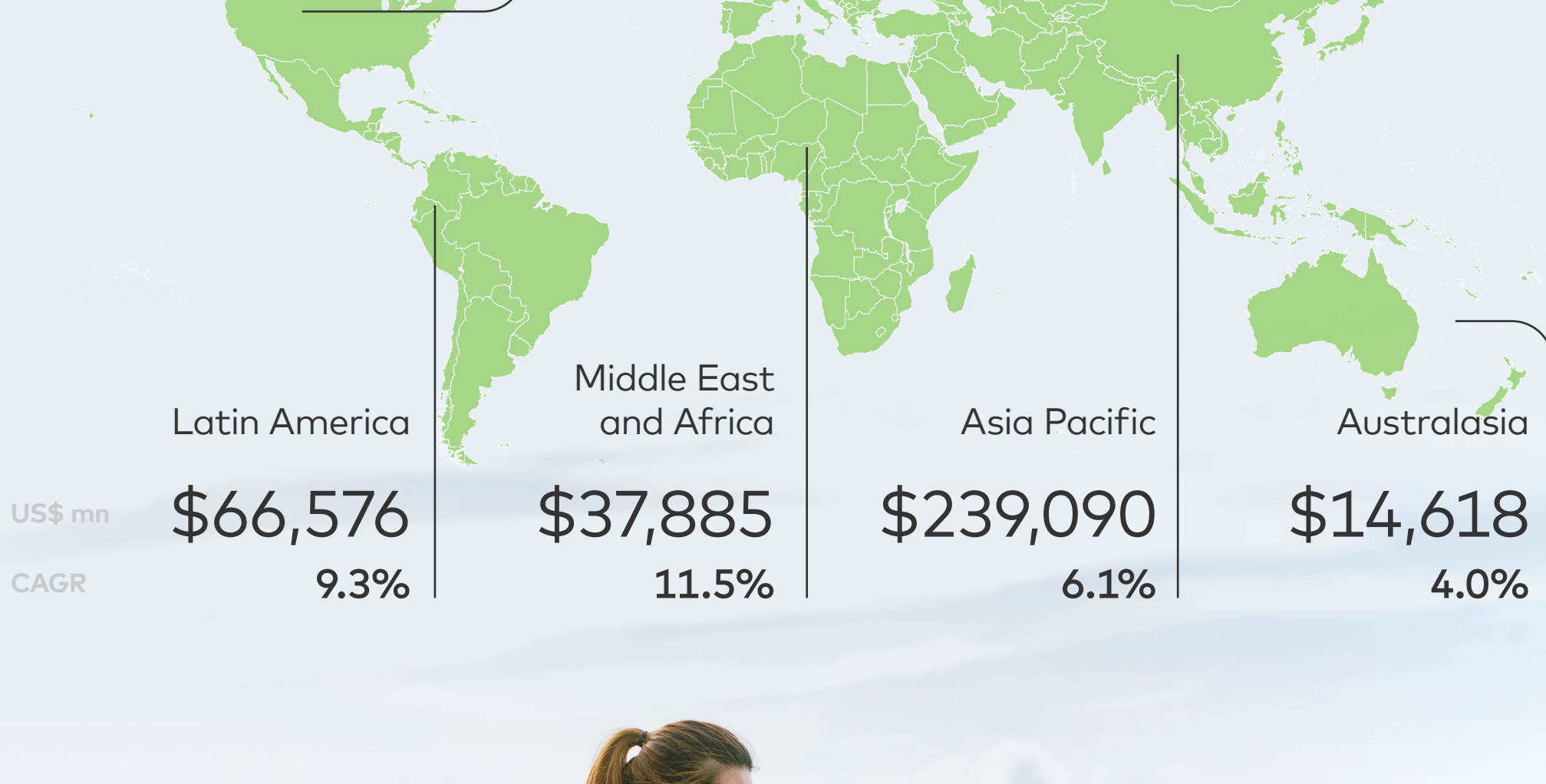
# Reimagining Dairy Opportunities Through Consumer Trends

Consumer trends are opening doors for dairy to extend its reach and re-engage consumers through new positioning territories and category applications while maintaining its foothold in its heartland of nutrition, health and wellness.

## The health and wellness movement opens new positioning territories for dairy to expand in its heartland.

### Health and Wellness Packaged Foods 2019 Retail Value RSP<sup>1</sup>

Current Prices, Fixed Ex Rates, 2019-24 CAGR %



## Emerging narratives in the health and wellness space open new positioning territories for dairy to expand.

**Digestive wellness for everyday health**

The importance of gut health as the starting point of general wellness will continue to flourish. This allows well-known digestive health ingredients like probiotics to gain relevance outside of traditional digestive wellness categories like yogurt and supplements.

**Active living**

52% of consumers globally have looked to reduce time being inactive in the last 2 years.<sup>2</sup>

Consumers will continue to strive to have an active lifestyle to complement healthy eating. Protein will remain a hero ingredient as consumption mainstreams.

**Mental wellbeing**

44% of consumers globally have made changes to their health because of poor quality sleeping patterns.<sup>2</sup>

Mental health will emerge as an important part of self-care building on the concept of total wellness. Dairy needs to tap into its latent credentials in supporting mental wellness.

**Healthy ageing redefined**

42% of consumers globally have adopted a long term approach to health in the last 2 years.<sup>2</sup>

With ageing populations and a more proactive mentality towards health, consumer needs around healthy ageing are evolving to a mindset of 'prolonging the middle-age ie. live this lifestyle for as long as I can' rather than supporting the 'golden years'

## Dairy creates the link between health and indulgence.

**64%** of consumers who are looking to improve their health say it is okay to enjoy moments of small indulgences as part of a healthy diet.<sup>3</sup>

Dairy has the health credentials that allow it to be a guilt free treat alongside a healthy diet.

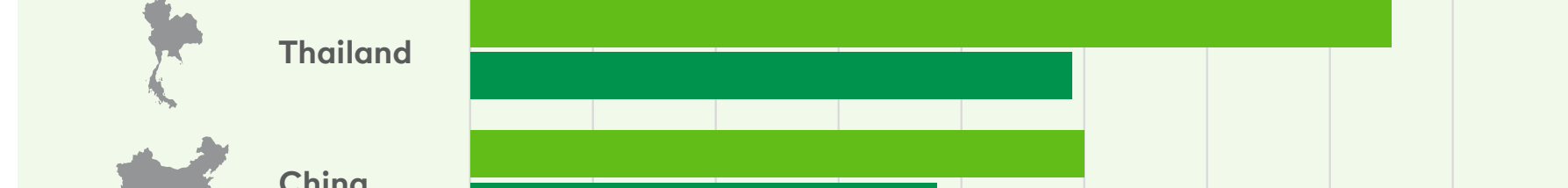
% consumers consuming these dairy products as a guilt-free treat as part of a balanced diet



## Evolving consumer eating habits create additional consumption occasions for dairy.

Dairy has an opportunity to move beyond traditional meal times and into the growing snacking market.

% of consumers who snack on these dairy products<sup>4</sup>

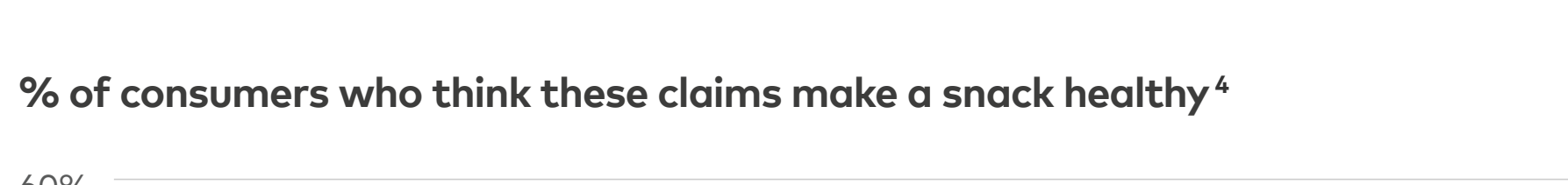


Dairy should leverage its health credentials in snacking.

% who pay more attention to nutritional value of snack when snacking<sup>4</sup>



% of consumers who think these claims make a snack healthy<sup>4</sup>



## Opportunities

With the strengthening of health and wellness needs in the minds of consumers, dairy is in a good position to continue to capitalise on its strong health credentials. Emerging wellness needs open new positioning territories. This includes protein to support active living, probiotics expanding its reach into everyday wellness, dairy playing a role in promoting cognitive health.

And despite health being top of mind, the need for indulgence is by no means lost. Dairy is no stranger to indulgent categories and can offer a bridge between health and indulgence.

In the snacking segment, dairy is coming into its own as consumers choose to snack on dairy products. Snacking creates a new consumption occasion for dairy which can both grow usage consumption as well as protect potential consumption decline with the increasing meal skipping behaviours especially at breakfast – dairy's core consumption occasion.

Trends in food and beverage consumption present a range of opportunities for dairy to innovate and reinvent itself. Dairy should look at these new opportunities as a way to stay relevant to consumers in the face of current consumption threats.